



CAPITAL GROUP OF INTER CARS

Consolidated quarterly report containing a condensed interim consolidated report on the activities of the Inter Cars S.A. Capital Group together with quarterly financial information of the Inter Cars S.A. prepared for the period of 3 months ended on 31 March 2022



Selected consolidated financial data of the Inter Cars Group	3
1. Summary of activities and consolidated and separate financial results for 1Q 2022.....	4
2. Material evaluations and estimates.....	6
3. Seasonality	7
4. Information on business segments	7
5. Dividend	8
6. Liabilities due to borrowings and other debt instruments	8
7. Contingent liabilities and sureties.....	9
8. The Management Board's standpoint on the feasibility of meeting the previously published forecasts of financial results for 2022	9
9. Shareholders holding 5% or more of the total vote at the General Shareholders Meeting of Inter Cars S.A.	9
10.Changes in the number of shares and rights to shares (options) in Inter Cars S.A. held by the Company's Management and supervisory personnel since the publication of the most recent quarterly report.	10
11.Information on important court, arbitration and administrative proceedings.....	10
12.Transactions with related entities.....	11
13.Other information which the Company deems relevant for the assessment of its personnel, assets, financial position and financial result or changes in any of the foregoing, and for the assessment of the Company's ability to perform its obligations	11
14.Events subsequent to the balance sheet day as at which the report was prepared which may have a material bearing on the Company's future financial results.....	11
15.Information on material transactions with related entities concluded on terms other than at arm's length, including information on their amounts and nature.	11
16.Factors which in the Company's opinion will affect its financial results in the period covering at least the next quarter.....	11
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE INTER CARS GROUP	13
Interim consolidated statement of comprehensive income.....	14
Interim consolidated statement of changes in equity	15
Interim consolidated statement of changes in equity (cont.)	16
Interim consolidated statement of cash flows.....	17
Foreign Exchange rates applied to calculate the figures for 1 quarter of 2022	19
QUARTERLY SEPARATE FINANCIAL STATEMENTS OF INTER CARS S.A.	20
Statement of separate financial position	20
Statement of separate comprehensive income	21
Statement of separate changes in equity	22
Statement of separate changes in equity (cont.).....	23
Statement of separate cash flows	24
Accounting principles	25
Changes in presentation.....	25
Investments in subordinated entities.....	25
Transactions with related entities in the condensed standalone financial statements	26
Contingent liabilities and sureties.....	28
Explanatory notes to the interim condensed financial statements for the period of 3 months ended on 31 March 2022.....	28
I. Information about the Inter Cars Capital Group	28
I. Composition of the Capital Group	29
II. Declaration of compliance with IFRS	31
III. Basis for preparing the condensed interim consolidated financial statements	32
IV. Approved for publication	32

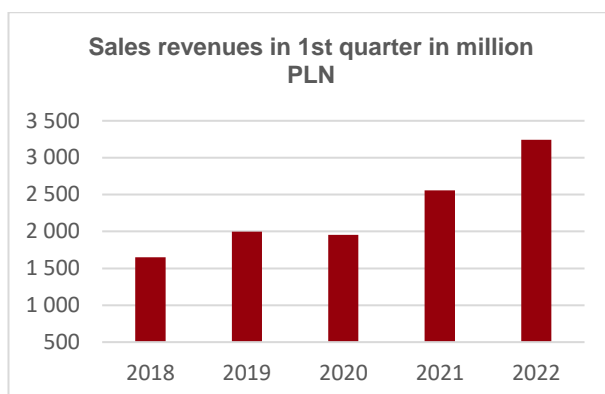
Selected consolidated financial data of the Inter Cars Group

	<i>for the period of 3 months ended on</i>		<i>for the period of 3 months ended on</i>	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	in thousand PLN	in thousand PLN	EUR '000	EUR '000
Information on growth and profits				
Sales margin	31.1%	30.2%		
EBITDA	196,180	185,326	42,215	40,534
EBITDA as percentage of sales	6.0%	7.3%		
EBITDA (for 12 consecutive months)	1,049,578	739,762	225,852	161,799
Net debt / EBITDA	1.45	1.38		
Basic earnings per share (PLN)	8.17	8.19	1.76	1.79
Diluted earnings per share (PLN)	8.17	8.19	1.76	1.79
Operating profit	160,481	153,112	34,533	33,488
Net profit	115,762	116,107	24,910	25,395
Cash flows				
Operating cash flows	(130,306)	113,648	(28,040)	24,857
Investing cash flows	(29,569)	(8,412)	(6,363)	(1,840)
Financing cash flows	174,325	(80,333)	37,512	(17,570)
Employment and branches				
Employees				
Parent company	774	677		
Subsidiaries	2,955	2,709		
Branches				
Parent company	240	249		
Subsidiaries	345	319		
Consolidated statement of the financial situation				
	As at		As at	
	31/03/2022	31/12/2021	31/03/2022	31/12/2021
	in thousand PLN	in thousand PLN	EUR '000	EUR '000
Cash and cash equivalents	255,115	240,665	54,834	52,325
Balance sheet total	7,371,635	6,282,666	1,584,446	1,365,975
Loans, borrowings, finance lease and factoring	1,777,551	1,480,349	382,064	321,857
Equity attributable to the shareholders of the parent entity	3,212,498	3,089,684	690,489	671,758

The following exchange rates were applied to calculate selected financial data in EUR:

- for balance sheet items – the National Bank of Poland exchange rate of 31 March 2022 – 1 EUR = PLN 4.6525, and the National Bank of Poland exchange rate of 31 March 2021 - 1 EUR = PLN 4.6603 and the National Bank of Poland exchange rate of 31 December 2021 – 1 EUR = PLN 4.5994.
- for the profit and loss account and cash flow items – the National Bank of Poland Exchange rate constituting the average National Bank of Poland exchange rate announced on the last day of each month of the first quarter of 2022 and 2021, respectively: 1 EUR = PLN 4.6472 and 1 EUR = PLN 4.5721.

Factors and events of a non-recurring nature having a material bearing on the financial result, and a description of the Company's material achievements and failures along with a list of related key events



1. Summary of activities and consolidated and separate financial results for 1Q 2022

Summary of financial results of the Inter Cars Group

- In 1Q 2022, the Group recorded a **26,9% growth of consolidated sales revenues** compared to the same period of 2021.
- Sales by Inter Cars Ukraine (which accounted for almost 5% of the Group's turnover in 2021) are made to a much lesser extent than before 24 February 2022. There are currently 30 branches out of 38 in operation and sales are made at a level of approximately 50% of revenues from the corresponding months of 2021.
- As at the end of March 2022, the Group recognised an impairment write-off of PLN 75 million, which corresponds to the value of goods and fixed assets located in the central warehouse in Kiev, Ukraine. The warehouse was destroyed as a result of military operations conducted by the Russian Federation in Ukraine. The Management Board estimates that the net assets of Inter Cars Ukraine, after the write-off, amount to approx. PLN 75 million. However, the remaining assets, not covered by the write-off, are scattered in many locations in western and central Ukraine, thus the risk of further write-offs, in the opinion of the Management Board, is negligible.
- **Export sales** understood as sales by the overseas distribution companies, and direct sales by Inter Cars S.A. to foreign clients increased by nearly **32.7%** compared to the analogous period a year ago.
- The revenues of Inter Cars at home accounted for app. **41.7%** (45% in the first quarter of 2021), of the total revenues of the Capital Group (taking into account consolidation exclusions). The foreign companies' share in the distribution activities increased from 47.8% in the 1st quarter of 2021 to 48.6% in the 1st quarter of 2022. The Polish market remains the basic sales market for the Capital Group.
- **Consolidated margin** on the sale of goods is 0.9 percent point higher compared to the year before, amounting to 31.1%.

In Q1 2022, the impact of exchange rate differences on the percent margin was negligible, while in the corresponding period of 2021 the impact of exchange rate differences on the change in margin was 0.2 p.p.

Comparing the level of gross percent margin, if we eliminate the influence of these exchange gains/losses on the margin, it would amount to 31.1% in the first quarter 2022, and was 1.1 percent higher in comparison to the same period a year before.

- The costs of sale and administration in 3 months of 2022 went up by 0.5% to 13.8% compared to the same period of 2021, when it was on the level of 13.3%. The increase in costs is mainly due to the increase in cost of remuneration and rising transport costs. However, the cost dynamics of the Group remained significantly below the sales dynamics.

- **Consolidated net profit** amounted to PLN 115,762 thousand and was lower by PLN 345 thousand compared to the net profit for the first three months of the year before.
- **The consolidated EBITDA** for 12 months cumulatively for the period ending on 31 March 2022 amounted to PLN 1,049,578 thousand (as a profit on operating activity plus depreciation) and was nearly 42% higher compared to 12 months period ended on 31 March 2021.
- **The net debt /EBITDA** ratio is 1.45, compared to 1.38 as at 31 March 2021.
- In Q1 2022, compared to the same period of 2021, the Group's financing costs increased. This was influenced by an increase in the nominal level of the loan and the level of the WIBOR index, which is the basis for the calculation of interest.
- The increase of PLN 775 million in stock value was due to a purchasing strategy aimed at ensuring the availability of goods from both European and Asian suppliers. This strategy was also the result of supplier price increases announced for 2022.
- In Q1 2022 the effective tax rate was equal to the anticipated tax rate for 2022.
- **Revenues increased in all geographical markets.** The Group has been expanding its business in Central and Eastern Europe. This market displays a large potential of growth and a net profitability higher than the domestic market. The highest sales increase after 1 quarter of 2022 – compared to the same period of the previous year – (after translation to PLN and consolidation exclusions) was recorded by companies in the following countries: Serbia (233%), Greece (78%), Germany (73%) and Republic of Moldova (61%). Whilst daughter companies with the biggest influence on the sales revenues of the Group, went up accordingly: Romania (17%), Bulgaria (29%), Hungary (35%), Czech (35%) and Slovak Republic (28%).

The underlying financial data of the Inter Cars S.A. Group for 1 quarter of 2022 were as follows:

	for the period of 3 months ended on		for the period of 3 months ended on	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	PLN	PLN	EUR	EUR
(‘000)				
Profit and loss account (for the period)				
Sales revenues	3,243,309	2,556,518	697,906	559,156
Gross profit (loss) on sales	1,009,167	771,686	217,156	168,782
Net financial revenues / costs	(14,734)	(7,631)	(3,171)	(1,669)
Operating profit (loss)	160,481	153,112	34,533	33,488
Net profit (loss)	115,762	116,107	24,910	25,395
Other financial data				
Operating cash flows	(130,306)	113,648	(28,040)	24,857
Investing cash flows	(29,569)	(8,412)	(6,363)	(1,840)
Financing cash flows	174,325	(80,333)	37,512	(17,570)
Basic profit per share	8.17	8.19	1.76	1.79
Sales margin	31.1%	30.2%		
EBITDA margin	6.0%	7.3%		
Balance sheet (as at)	31/03/2022	31/12/2021	31/03/2022	31/12/2021
	PLN	PLN	EUR	EUR
Cash and cash equivalents	255,115	240,665	54,834	52,325
Balance sheet total	7,371,635	6,282,666	1,584,446	1,365,975
Loans, borrowings and finance lease	1,777,551	1,480,349	382,064	321,857
Equity	3,212,498	3,089,684	690,489	671,758

Overview of the financial results of the parent company – Inter Cars

The underlying financial data of Inter Cars S.A. were as follows :

	for the period of 3 months ended on		for the period of 3 months ended on	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
(‘000)	PLN	PLN	EUR	EUR
Profit and loss account (for the period)				
Sales revenues	2,191,149	1,770,632	471,499	387,269
Gross profit (loss) on sales	601,436	436,484	129,419	95,467
Costs of license	(35,548)	(7,636)	(7,649)	(1,670)
Net financial revenues / costs	(13,261)	(3,783)	(2,854)	(827)
Operating profit (loss)	185,495	101,385	39,915	22,175
Net profit (loss)	137,851	77,010	29,663	16,843
Other financial data				
Operating cash flows	(185,878)	94,802	(39,998)	20,735
Investing cash flows	(8,640)	1,202	(1,859)	263
Financing cash flows	205,539	(90,348)	44,229	(19,761)
Basic profit per share	9.73	5.44	2.09	1.19
Sales margin	27.4%	24.7%		
EBITDA margin	8.89%	6.2%		
Balance sheet (as at)				
	31/03/2022	31/12/2021	31/03/2022	31/12/2021
	PLN	PLN	EUR	EUR
Cash and cash equivalents	36,515	25,494	7,848	5,543
Balance sheet total	5,738,495	4,912,877	1,233,422	1,068,156
Loans, borrowings and finance lease	1,435,451	1,182,783	308,533	257,160
Equity	2,390,389	2,252,538	513,786	489,746

The sales revenues in Q1 2022 were **23.75% higher** than in the same period of the year before.

The gross sales profit in Q1 2022 amounted to PLN 601,436 thousand and was higher by 37.79%, in comparison to the same period of 2021. **The sales margin** (calculated as gross profit on sales to sales) for 1 quarter of 2022 was 27.4% (compared to 24.7% in 1 quarter of 2021).

Distribution costs – the share of the entity managing the branch in the margin earned. The sales margin generated by a branch is divided between the branch and Inter Cars in the 50/50 ratio. The branch system is based on the assumption of entrusting management of a distribution point (branch) to external entities. Sales are made on behalf of Inter Cars.

Financial revenues and costs include primarily costs and revenues due to interest on credits. In Q1 2022, the Company incurred PLN 11,129 thousand of these costs. (compared to PLN 3,761 thousand in the same period of 2021).

Liabilities resulting from credits, loans, debt securities and finance lease as at 31 March 2022 amounted to PLN 1,435,451 thousand.

2. Material evaluations and estimates

The preparation of the condensed consolidated interim financial statements in conformity with the EU IFRS requires the Company's Management Board to use evaluations and estimates that affect the application of accounting principles and reported amounts of assets and liabilities, income and

expenses. The judgements and estimates are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimate is revised.

Information on particularly significant areas that are subject to evaluations and estimates and that affect the interim financial statements did not change from the information presented in the annual financial statements as at 31 December 2021.

3. Seasonality

Sales revenues display a slight degree of seasonality, with Q1 usually constituting app. 22% of the annual sales revenues.

4. Information on business segments

Structure of Inter Cars Capital Group results from strategy of geographical expansion in distribution of automotive spare parts (Inter Cars Ukraine LLC, Inter Cars Česká republika s.r.o., Inter Cars Slovenská republika s.r.o., Inter Cars Lietuva UAB, Inter Cars d.o.o, Inter Cars Hungária Kft., JC Auto S.A, Inter Cars Romania s.r.l., Inter Cars Latvija SIA, Inter Cars Bulgaria EOOD, Cleverlog-Autoteile GmbH, Inter Cars Eesti OÜ, Inter Cars INT d.o.o. (Slovenia), Inter Cars Piese Auto s.r.l. (Moldavia), Inter Cars GREECE, Inter Cars d.o.o Sarajevo (Bosnia and Herzegovina), Inter Cars United Kingdom - automotive technology Ltd, Inter Cars d.o.o. Beograd-Rakovica, Inter Cars Norge AS and development of supporting projects for core business (Lauber Sp. z .o.o., Feber Sp. z o.o., Q-Service Sp. z .o.o., IC Development & Finance Sp. z .o.o., Armatus Sp. z o.o., Inter Cars Cyprus Limited, Inter Cars Marketing Services Sp. z o.o., ILS Sp. z o.o., Inter Cars Malta Holding, Inter Cars Malta Limited, Q-Service Truck Sp. Z o.o., Aurelia Auto d o and Inter Cars Fleet Services Sp. z o.o., CB Dystrybucja Sp z o.o.

The above mentioned entities were consolidated with the full method as at 31 March 2022. Financial data of InterMeko Europe Sp. z o.o. were consolidated using equity method .

The core business of the Inter Cars S.A. Capital Group is the sale of spare parts. Additionally, the companies Feber Sp. z o.o., Lauber Sp. z o.o., IC Development & Finance Sp. z o.o. and ILS Sp. z o.o. operate also in other sectors, including: manufacture of trailers, remanufacture of parts, development and logistics services, whereas the company Inter Cars Fleet Services Sp. z o.o. offers comprehensive handling of car fleets, including comprehensive body and mechanical repair services.

The Inter Cars Capital Group applies uniform accounting principles to all segments. Transactions between particular segments are carried out at arm's length. The above-mentioned transactions were eliminated from these condensed consolidated quarterly financial statements.

Information on business segments

for the period of 3 months ended on 31 March 2022

	Sale of spare parts	Other segments	Eliminations	Total
External sales	3,159,188	84,121	-	3,243,309
Inter-segment sales	1,335	182,374	(183,709)	-
Profit before tax	257,648	10,047	(121,948)	145,747

for the period of 3 months ended on 31 March 2021

	Sale of spare parts	Other segments	Eliminations	Total
External sales	2,513 303	43,215	-	2,556,518
Inter-segment sales	1,146	140,607	(141,753)	-
Profit before tax	159,704	829	(15,052)	145,481

Assets by operating segments

	Status as at 31 March 2022	Status as at 31 December 2021
Sale of spare parts segment	9,899,742	8,652 336
Other segments	629,560	576,450
Eliminations	(3,157,667)	(2,946,120)
	7,371 635	6,282 666

5. Dividend

In the reporting period, no dividend was distributed by Inter Cars S.A.

On 29 April 2022, the Company's Management Board passed a resolution to accept the Board's motion for the distribution of the 2021 profit, in conformity with which the Board shall motion for the distribution of the 2021 profit in such a way, that from the net profit of PLN 482,162,138.66 for 2021, the amount of PLN 20,118,702,00, i.e. PLN 1.42 per share shall be paid out to the shareholders in the form of a dividend, whilst the remaining amount of the profit in the amount of PLN 462,043,436.66 shall be transferred to supplementary capital. The Board also took a decision to propose to the General Shareholders Meeting the day of dividend for 30 June 2022 and pay-out of the dividend for 14 July 2022.

The Company's Supervisory Board acknowledged and approved the Management Board's motion of 29 April 2022 regarding the distribution of the 2021 profit and recommended that the Company's Shareholders Meeting adopt a resolution on distributing the 2021 profit in conformity with the Management Board's motion.

6. Liabilities due to borrowings and other debt instruments

The new syndicated credit facility agreement

The credit conditions for term loans and revolving credits are described in the annual consolidated financial statements of the Group.

Bank credits concluded directly by subsidiary companies

Conditions of credit facility agreements have been described in consolidated financial statements of the Group.

Loans and borrowings as at 31/03/2021

Current loans and borrowings at nominal value	Contractual amount (limit)	Used	Maturity date
Syndicated credit	1,000,374	707,543	12/11/2022
<i>Inter Cars S.A.</i>		675,326	
<i>Inter Cars Slovenska Republika s.r.o.</i>		23,609	
<i>Lauber Sp. z.o.o.</i>		8,608	
ING Bank N.V. (Inter Cars Romania s.r.l.)	65,828	41,711	11/11/2022
SKB Banka (ICSI - Inter Cars INT D o.o.)	13,958	12,562	08/12/2022
Raiffeisen a.s. (Inter Cars Česká republika s.r.o)	29,211	20,681	31/05/2022
Raiffeisenbank (Bulgaria) EAD (Inter Cars Bulgaria Ltd)	46,525	46,525	30/10/2022
	1,155 896	829,022	
Non-current loans and borrowings at nominal value	Contractual amount (limit)	Used	Maturity date
Syndicated credit	643,814	615,500	14/11/2024
Intesa Sanpaolo Banka d.d. (Inter Cars d o.o. Bosnia and Herzegovina)	9,488	8,302	15/04/2024
	653,302	623,802	

Loans and borrowings as at 31/03/2021

Current loans and borrowings at nominal value	Contractual amount (limit)	Used	Maturity date
Syndicated credit	878,688	335,685	12/11/2021
<i>Inter Cars S.A.</i>		303,476	
<i>Inter Cars Slovenska Republika s.r.o.</i>		24,639	
<i>Lauber Sp. z.o.o.</i>		7,570	
ING Bank N.V. (Inter Cars Romania s.r.l.)	66,234	50,674	11/11/2021
SKB Banka (ICSI - Inter Cars INT D o.o.)	9,321	3,588	30/09/2021
Raiffeisen a.s. (Inter Cars Česká republika s.r.o)	26,745	16,184	28/02/2022
	980,988	406,131	
<hr/>			
Non-current loans and borrowings at nominal value	Contractual amount (limit)	Used	Maturity date
Syndicated credit	565,500	537,000	14/11/2022
Raiffeisenbank (Bulgaria) EAD	46,603	40,034	30/10/2022
	612,103	577,034	

7. Contingent liabilities and sureties

In the reporting period, Inter Cars S.A. and its subsidiaries did not grant any sureties for credits, loans or other guarantees with substantial value.

Sureties and guarantees granted by the Group as at 31 March 2022 amounted in total to: PLN 10,092 thousand.

8. The Management Board's standpoint on the feasibility of meeting the previously published forecasts of financial results for 2022

The Board of Directors of Inter Cars S.A. has not published any forecast of financial results for the year 2022.

9. Shareholders holding 5% or more of the total vote at the General Shareholders Meeting of Inter Cars S.A.

Shareholders holding 5% or more of the total vote at the General Shareholders Meeting of Inter Cars S.A., as at the day of publication of these financial statements:

Shareholder**	Number of shares	Total nominal value (PLN)	Percentage of share in the share capital held (%)	Percentage of total vote held (%)
OK Automotive Investments B.V.*	3,726,721	7,453,442	26.30%	26.30%
AVIVA Otwarty Fundusz Emerytalny Aviva Santander	1,896,778	3,793,556	13.39%	13.39%
Nationale-Nederlanden PTE SA***	1,617,078	3,234,156	11.41%	11.41%
Andrzej Oliszewski	1,277,370	2,554,740	9.02%	9.02%
Total	8,517,947	17,035,894	60.12%	60.12%

* OK Automotive Investments B.V. is a company which is dependent from Maciej Oleksowicz, President of the Management Board of the Company.

** The list of shareholders was prepared based on notifications received in accordance with art. 69 of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (Journal of Laws of 2005, No. 184 item 1539, as amended), and art. 19 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse ("MAR Regulation").

*** Nationale-Nederlanden Powszechno Towarzystwo Emerytalne SA. funds: Nationale-Nederlanden Otwarty Fundusz Emerytalny, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2030, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2035, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2040, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2045, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2050, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2055, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2060.

Until the date of release of these financial statements, the Company had not received any other shareholding notifications.

From the date of publication of the previous report, i.e. 28 April 2022, there has been no change in shareholders holding at least 5% of total shares of the Company.

One share gives one vote at the General Shareholders Meeting of the Company. Voting restrictions are laid out in §18a of the Articles of Association, according to which no shareholder holding over 33% of votes may cast more than 33% of the total number of votes they are entitled to as at the date of the General Meeting. This restriction does not apply to determining the purchasers of substantial blocks of shares.

Furthermore, pursuant to the provisions of the Articles, this limitation shall expire if one of the shareholders purchases (on their own behalf and account) and registers at the General Meeting over 50% of the total number of votes in the Company, provided that all shares above 33% of the total number of shares in the Company and all shares above this threshold are purchased by such shareholder in response to a call to subscribe for all shares of the Company announced in conformity with the Act.

Above change of Status of the Company was registered by the registry court - District Court for the Capital City of Warsaw in Warsaw, XII Commercial Department of the National Court Register, on 17 May 2017.

10. Changes in the number of shares and rights to shares (options) in Inter Cars S.A. held by the Company's Management and supervisory personnel since the publication of the most recent quarterly report.

The Company's supervisory and managing personnel hold 5 005 591 of shares, constituting 35,33% of the total vote at the General Shareholders Meeting of Inter Cars.

The managing and supervisory personnel hold no shares in the subsidiaries of Inter Cars.

List of shares being held by the managing and supervisory personnel of Inter Cars as at the date of publishing the report is presented in below chart:

Shareholder	Number of shares	Total nominal value	Percentage of share in the share capital held (%)	Percentage of total vote held (%)
Management Board				
Maciej Oleksowicz*	3,726,721	7,453,442	26.30%	26.30%
	3,726,721	7,456,442		
Supervisory Board				
Andrzej Oliszewski	1,277,370	2,554,740	9.02%	9.02%
	1,277,370	2,554,740		
Total	5,004 091	10,011,182	35.32%	35.32%

* Directly by OK Automotive Investments B.V.

There were no changes in ownership of the Company shares held by the Company's management and supervisory personnel since the publication of the most recent quarterly report, i.e. 28 April 2022.

11. Information on important court, arbitration and administrative proceedings

No material proceedings were instituted in the reporting period before a court or a public administration authority relating to liabilities or receivables of the Company or its subsidiaries nor are there any material proceedings pending before a court or a public administration authority relating to liabilities or receivables of the Company or its subsidiaries.

12. Transactions with related entities

<i>(in thousand PLN)</i>	1.01.2022- 31.03.2022	1.01.2021- 31.03.2021
<i>remuneration of the members of the Supervisory Board and the Management Board</i>		
Remuneration of the members of the Supervisory Board	135	134
Remuneration of the members of the Management Board	724	724
	859	858
	1.01.2022- 31.03.2022	1.01.2021- 31.03.2021
<i>Transactions with related entities</i>		
Income on sales to related entities	84	83
Purchase of goods and services from related entities	197	157
	31/03/2022	31/12/2021
<i>Settlements with related entities</i>		
Receivables from related entities	68	29
Liabilities to related entities	26	-

13. Other information which the Company deems relevant for the assessment of its personnel, assets, financial position and financial result or changes in any of the foregoing, and for the assessment of the Company's ability to perform its obligations

This information is included in the section entitled "Factors and events of a non-recurring nature having a material bearing on the financial result, and a description of the Company's material achievements and failures along with a list of related key events."

14. Events subsequent to the balance sheet day as at which the report was prepared which may have a material bearing on the Company's future financial results

No such events.

15. Information on material transactions with related entities concluded on terms other than at arm's length, including information on their amounts and nature.

All transactions with related entities were concluded at arm's length.

16. Factors which in the Company's opinion will affect its financial results in the period covering at least the next quarter.

Factors which in the Management Board's opinion will affect the Company's financial results in Q2 2022 include:

- ✓ *high inflation* affecting the suppliers to raise purchase prices of trade goods and production materials, forcing increase of sales prices in order to maintain profitability
- ✓ *high inflation* affecting the increase in operating costs including labour costs resulting from the wage-price spiral and employees' expectations, fuel costs affecting the cost of transporting goods, energy and gas costs associated with the cost of maintaining distribution centres;
- ✓ changes in interest rates, which will determine the amount of interest on contracted loans and thus affect the financial expenses;
- ✓ *the conduct of hostilities* by the Russian Federation against Ukraine;
- ✓ *trends in the foreign exchange rates*, mainly EUR, USD and JPY against PLN, UAH, HUF, CZK, HRK i RON, BGN, MDL, BAM, RSD, NOK;
- ✓ *optimization of cost of business activity* aimed at keeping profitability at a proper level;

-
- ✓ planned improvement in the stock turnover, which should reduce the financial costs by lowering the requirement for inventory financing;
 - ✓ *optimization of logistics processes*
 - ✓ enhanced awareness of the "Inter Cars" brand and obtaining new customers, which will contribute to the development of operating activities;

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE INTER CARS GROUP

<i>(in thousand PLN)</i>	<u>31/03/2022</u>	<u>31/12/2021</u>	<u>31/03/2021</u> Transformed data
ASSETS			
Non-current assets			
Tangible fixed assets	487,610	473,236	481,855
Right-of-use assets	283,734	234,977	274,729
Investment property	4,851	2,973	2,045
Real estate available for sale	1,088	8,078	8,721
Intangible assets	189,526	191,787	193,011
Investments in associates	2,874	2,037	1,655
Investments available for sale	298	298	299
Receivables	26,514	25,210	21,453
Non-current receivables on long-term rental	230,143	228,500	214,261
Deferred tax assets	34,408	16,200	15,305
	<u>1,261,046</u>	<u>1,183,296</u>	<u>1,213,334</u>
Current assets			
Inventory	3,886,740	3,112,013	2,714,867
Trade and other receivables	1,894,889	1,669,278	1,371,339
Receivables on short-term rental	73,845	77,414	67,911
Cash and cash equivalents	255,115	240,665	258,709
	<u>6,110,589</u>	<u>5,099,370</u>	<u>4,412,826</u>
TOTAL ASSETS	<u>7,371,635</u>	<u>6,282,666</u>	<u>5,626,160</u>
LIABILITIES			
Share capital	28,336	28,336	28,336
Share premium account	259,530	259,530	259,530
Other supplementary capitals	1,615,749	1,615,749	1,420,925
Foreign exchange gains /losses in subsidiaries	11,427	4,375	(561)
Retained earnings	1,297,456	1,181,694	813,164
Equity	<u>3,212,498</u>	<u>3,089,684</u>	<u>2,521,394</u>
Long-term liabilities			
Liabilities due to credits, loans	623,094	580,792	576,070
Finance lease liabilities	264,403	201,536	245,173
Non-current liabilities on long-term rental	230,143	228,500	214,261
Other long-term liabilities	4,536	7,832	5,222
Deferred income tax provision	76,331	57,272	28,117
	<u>1,198,507</u>	<u>1,075,932</u>	<u>1,068,843</u>
Short-term liabilities			
Trade and other liabilities	1,754,506	1,124,302	1,296,179
Trade and other liabilities – passed for factoring	113,332	110,076	99,145
Liabilities due to credits, loans	827,781	643,027	405,110
Finance lease liabilities	62,273	54,994	55,601
Liabilities on the short-term rental	73,845	77,414	67,911
Employee benefits	38,072	28,047	34,095
Income tax liabilities	90,821	79,190	77,882
	<u>2,960,630</u>	<u>2,117,050</u>	<u>2,035,923</u>
TOTAL LIABILITIES	<u>7,371,635</u>	<u>6,282,666</u>	<u>5,626,160</u>

Interim consolidated statement of comprehensive income

(in thousand PLN)

	for the period of 3 months ended on	
	31/03/2022	31/03/2021
Continued activity		
Revenues from the sale of products, goods and materials	3,243,309	2,556,518
Cost of sales	(2,234,142)	(1,784,832)
Gross profit on sales	1,009,167	771,686
Other operating revenue	14,554	7,176
Selling cost, general and administrative expenses	(445,988)	(338,868)
Costs of distribution service	(332,188)	(275,156)
Other operating expenses	(85,064)	(11,726)
Operating profit	160,481	153,112
Financial income	6,100	3,313
Exchange differences	(615)	1,628
Financial costs	(20,219)	(12,572)
Profit before tax	145,747	145,481
Income tax	(29,985)	(29,374)
Net profit	115,762	116,107
Attributable to:		
shareholders of the parent company	115,762	116,107
	115,762	116,107
OTHER COMPREHENSIVE INCOME		
Foreign exchange gains /losses	7,052	9,791
Total other comprehensive income, net	7,052	9,791
COMPREHENSIVE INCOME	122,814	125,898
Net profit attributable to:		
- the shareholders of the parent entity	115,762	116,107
	115,762	116,107
Comprehensive income attributable to:		
- the shareholders of the parent entity	122,814	125,898
- minority interests	-	-
	122,814	125,898
Earnings per share (PLN)		
- basic	8.17	8.19
- diluted	8.17	8.19
Number of shares	14,168,100	14,168,100
Number of shares to be diluted	14,168,100	14,168,100

Interim consolidated statement of changes in equity

for the period from 1 January 2022 to 31 March 2022

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplementary capital	Foreign exchange gains /losses	Retained earnings	Equity attributable to the shareholders of the parent entity
As at 1 January 2022	28,336	259,530	1,615,749	4,375	1,181,694	3,089,684
Profit in the reporting period	-	-	-	-	115,762	115,762
Foreign exchange gains /losses	-	-	-	7,052	-	7,052
Distribution of prior period profit - allocation to reserve capitals	-	-	-	-	-	-
As at 31 March 2022	28,336	259,530	1,615,749	11,427	1,297 456	3,212 498

for the period from 1 January 2021 to 31 December 2021

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplementary capital	Foreign exchange gains /losses in subsidiaries	Retained earnings	Total equity
As at 1 January 2021	28,336	259,530	1,406 500	(10,352)	711,482	2,395,496
Profit in the reporting period	-	-	-	-	699,580	699,580
Other comprehensive income						
Foreign exchange gains /losses in subsidiaries	-	-	-	14,727	-	14,727
Total comprehensive income	-	-	-	14,727	699,580	714,307
Distribution of prior period profit – dividend	-	-	-	-	(20,119)	(20,119)
Distribution of retained profits - transfer to supplementary and reserve capital	-	-	209,249	-	(209,249)	-
As at 31 December 2021	28,336	259,530	1,615,749	4,375	1,181,694	3,089,684

Interim consolidated statement of changes in equity (cont.)

for the period from 1 January 2021 to 31 March 2021

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplementary capital	Foreign exchange gains /losses	Other reserve capitals	Retained earnings	Equity attributable to the shareholders of the parent entity
As at 1 January 2021	28,336	259,530	1,377,736	(10,352)	28,764	711,482	2,395,496
Profit in the reporting period	-	-	-	-	-	116,107	116,107
Foreign exchange gains /losses	-	-	-	9,791	14,425	(14,425)	9,791
Distribution of prior period profit - allocation to reserve capitals	-	-	-	-	-	-	-
As at 31 March 2021	28,336	259,530	1,377,736	(561)	43,189	813,164	2,521 394

Interim consolidated statement of cash flows
(in thousand PLN)

	1/01/2022 – 31/03/2022	1/01/2021– 31/03/2021
Cash flows from operating activities		Transformed data
Profit before tax	145,747	145,481
Adjustments:		
Amortization and depreciation	35,699	32,214
Foreign exchange gains /losses	2,157	189
(Profit / loss on investing activities	(1,518)	2,315
Net interest	16,129	9,195
Other adjustments, net	5,061	7,599
Operating profit before changes in the working capital	203,275	196,993
Increase (decrease) in inventories	(774,727)	(491,750)
Increase (decrease) in receivables	(226,234)	(281,910)
Change in short-term liabilities	684,883	701,078
Cash generated by operating activities	(112,803)	124,411
Corporate income tax paid	(17,503)	(10,763)
Net cash from operating activities	(130,306)	113,648
Cash flow from investment activities		
Proceeds from the sale of intangible assets, investment property, property, plant and equipment	681	247
Acquisition of intangible assets, investment property, and property, plant and equipment	(30,364)	(9,091)
Repayment of loans granted	542	419
Loans granted	(601)	(58)
Interest received	173	70
Net cash from investing activities	(29,569)	(8,412)
Cash flow from financing activities		
Revenues under credits and debt securities	236,269	49,427
Repayment of credits	(13,195)	(89,169)
Financial lease contracts liabilities	(32,447)	(31,326)
Interest paid	(16,302)	(9,265)
Net cash from financing activities	174,325	(80,333)
Net change in cash and cash equivalents	14,450	24,903
Cash and cash equivalents at the beginning of the period	240,665	233,806
Cash and cash equivalents at the end of the period	255,115	258,709

Changes to the accounting principles

The information included in these condensed interim financial statements was prepared based on the same accounting principles and calculation methods as those applied in the preceding annual consolidated financial statements for the year 2021.

Changes in presentation

In the reporting period, the Group's Management changed the presentation of trade discounts due from suppliers remaining to be settled in a future period within the consolidated statement of financial position due to the incorrectly applied criteria for offsetting receivable and payable balances according to IAS 32 par. 42. Before the change, all trade discounts due from suppliers remaining to be settled in a future period were presented in the consolidated statement of financial position under trade and other payables, as a reduction thereof. After the change, trade discounts due from suppliers for which the criteria of IAS 32 par. 42 to enable their offsetting against liabilities (i.e. there is no currently enforceable right to offset) are presented under trade and other receivables.

The impact of the change in presentation in the consolidated statement of financial position as at 31 March 2021 and in the consolidated statement of cash flows for the period ended 31 March 2021 is presented in the table below.

Consolidated statement of the financial situation

<i>(in thousand PLN)</i>	31/03/2021 <i>before change</i>	<i>change</i>	31/03/2021 <i>after change</i>
ASSETS			
Trade and other receivables	1,142,040	229,299	1,371,339
Current assets	4,183 527	229,299	4,412,826
TOTAL ASSETS	5,396 861	229,299	5,626,160
Short-term liabilities			
Trade and other liabilities	1,066 880	229,299	1,296 179
	1,806 624	229,299	2,035,923
TOTAL LIABILITIES	5,396 861	229,299	5,626,160

Consolidated statement of cash flows

<i>(in thousand PLN)</i>	31/03/2021 <i>before change</i>	<i>change</i>	31/03/2021 <i>after change</i>
Change in trade and other receivables	(205,960)	(75,950)	(281,910)
Change in trade and other liabilities	625,128	75,950	701,078
Cash from operating activities	124,411	-	124,411
Net cash from operating activities	113,648	-	113,648

The change in presentation had no impact on net profit for Q1 2021 nor on basic and diluted earnings per share.

Foreign Exchange rates applied to calculate the figures for 1 quarter of 2022

All financial figures presented in the report in EUR were translated according to the following exchange rates:

	2022	2021
exchange rate as at 31 March	4.6525	4.6603
average exchange rate in the period from 1 January to 31 March	4.6472	4.5721

The following principles have been used to convert data presented in thousand EURO in selected financial data:

- the figures resulting from the profit and loss account – the average exchange rate constituting the arithmetic mean of the exchange rates announced by President of the National Bank of Poland on the last day of each month of a given period;
- the figures resulting from the balance sheet – the exchange rate as at 31 March constituting the average EUR exchange rate announced on 31 March the President of the National Bank of Poland;
- for translating the value of the share capital – the average EUR exchange rates applicable on the day on which an increase in the share capital was registered.

QUARTERLY SEPARATE FINANCIAL STATEMENTS OF INTER CARS S.A.
Statement of separate financial position

<i>(in thousand PLN)</i>	31/03/2022	31/12/2021	31/03/2021
			Transformed data
ASSETS			
Non-current assets			
Tangible fixed assets	113,163	103,198	108,493
Right-of-use assets	25,989	26,573	29,562
Intangible assets	179,616	183,097	183,359
Investments in subordinated entities	509,103	508,265	445,757
Investments available for sale	258	258	260
Receivables	12,874	13,645	18,675
Non-current receivables on long-term rental	100,685	103,777	104,457
Deferred tax assets	-	-	-
	941,688	938,813	890,563
Current assets			
Inventory	2,395,073	1,761,693	1,616,021
Trade and other receivables	2,319,601	2,141,491	1,774,990
Receivables on short-term rental	45,618	45,386	44,688
Cash and cash equivalents	36,515	25,494	24,735
	4,796,807	3,974,064	3,460,434
TOTAL ASSETS	5,738,495	4,912,877	4,350,997
LIABILITIES			
Equity			
Share capital	28,336	28,336	28,336
Share premium account	259,530	259,530	259,530
Supplementary capital	1,476,252	1,476,252	1,273,761
Other reserve capitals	5,935	5,935	5,935
Retained earnings	620,336	482,485	299,943
	2,390,389	2,252,538	1,867,505
Long-term liabilities			
Liabilities due to credits, loans	614,822	564,517	535,971
Finance lease liabilities	36,484	24,494	26,497
Non-current liabilities on long-term rental	100,685	103,777	104,457
Deferred income tax provision	65,148	46,705	33,846
	817,139	739,493	700,771
Short-term liabilities			
Trade and other liabilities	1,610,494	1,201,282	1,246,726
Liabilities on credits, loans, debt securities	770,133	587,797	396,827
Finance lease liabilities	14,012	5,975	12,547
Liabilities on the short-term rental	45,618	45,386	44,688
Employee benefits	19,054	12,446	17,096
Income tax liabilities	71,656	67,960	64,837
	2,530,967	1,920,846	1,782,721
TOTAL LIABILITIES	5,738,495	4,912,877	4,350,997

Statement of separate comprehensive income

(in thousand PLN)

	for the period of 3 months ended	
	31/03/2022	31/03/2021
	on	
Continued activity		
Revenues from the sale of products, goods and materials	2,191,149	1,770,632
Cost of sales	(1,589,713)	(1,334,148)
Gross profit on sales	601,436	436,484
Other operating revenue	17,698	2,515
Selling cost, general and administrative expenses	(231,884)	(191,865)
Costs of distribution service	(157,146)	(131,591)
Costs of license	(35,548)	(7,636)
Other operating expenses	(9,061)	(6,522)
Operating profit	185,495	101,385
Financial income	2,085	1,832
Dividends received	-	327
Exchange differences	(615)	1,628
Financial costs	(14,731)	(7,570)
Profit before tax	172,234	97,602
Income tax	(34,383)	(20,592)
Net profit	137,851	77,010
OTHER COMPREHENSIVE INCOME		
Total other comprehensive income, net	-	-
COMPREHENSIVE INCOME	137,851	77,010
Earnings per share (PLN)		
- basic	9.73	5.44
- diluted	9.73	5.44
Number of shares	14,168,100	14,168,100
Number of shares to be diluted	14,168,100	14,168,100

Statement of separate changes in equity

for the period from 1 January 2022 to 31 March 2022

(in thousand PLN)

	Share capital	Share premium account	Supplementary capital	Other reserve capitals	Retained earnings	Total equity
Owner's equity as at 01 January 2022	28,336	259,530	1,476,252	5,935	482,485	2,252,538
Statement of comprehensive income						
Profit in the reporting period	-	-	-	-	137,851	137,851
Total comprehensive income in the reporting period	-	-	-	-	-	-
Distribution of retained profits - carried over to supplementary capital	-	-	-	-	-	-
Owner's equity as at 31 March 2022	28,336	259,530	1,476,252	5,935	620,336	2,390,389

for the period from 1 January 2021 to 31 December 2021

(in thousand PLN)

	Share capital	Share premium account	Supplementary capital	Other reserve capitals	Retained earnings	Total equity
As at 1 January 2021	28,336	259,530	1,273,761	5,935	222,933	1,790,495
Statement of comprehensive income						
Profit in the reporting period	-	-	-	-	482,162	482,162
Total comprehensive income	-	-	-	-	482,162	482,162
Distribution of prior period profit – dividend	-	-	-	-	(20,119)	(20,119)
Distribution of retained profits - carried over to supplementary capital	-	-	202,491	-	(202,491)	-
As at 31 December 2021	28,336	259,530	1,476,252	5,935	482,485	2,252,538

Statement of separate changes in equity (cont.)

for the period from 1 January 2021 to 31 March 2021

<i>(in thousand PLN)</i>	Share capital	Share premium account	Supplementary capital	Other reserve capitals	Retained earnings	Total equity
Owner's equity as at 01 January 2021	28,336	259,530	1,273,761	5,935	222,933	1,790 495
Statement of comprehensive income						
Profit in the reporting period	-	-	-	-	77,010	77,010
Total comprehensive income in the reporting period	-	-	-	-	77,010	77,010
Distribution of retained profits - carried over to supplementary capital	-	-	-	-	-	-
Owner's equity as at 31 March 2021	28,336	259,530	1,273,761	5,935	299,943	1,867 505

Statement of separate cash flows

(in thousand PLN)

	1/01/2022 – 31/03/2022	1/01/2021 – 31/03/2021 <small>Transformed data</small>
Cash flows from operating activities		
Profit (loss) before tax	172,234	97,602
Adjustments:		
Amortization and depreciation	9,228	8,280
Foreign exchange gains /losses	939	803
(Profit / loss on investing activities)	(43)	(25)
Net interest and share in profits	7,939	4,837
Net dividends	-	(327)
Other adjustments, net	-	91)
Operating profit before changes in the working capital	190,297	111,170
Increase (decrease) in inventories	(633,380)	(320,885)
Increase (decrease) in receivables	(179,974)	(241,250)
Change in receivables under rental	2,861	(5,215)
Change in short-term liabilities	449,422	549,667
Change in liabilities under rental	(2,861)	5,215
Cash generated by operating activities	(173,635)	98,702
Corporate income tax paid	(12,243)	(3,900)
Net cash from operating activities	(185,878)	94,801
Cash flow from investment activities		
Proceeds from the sale of plant, property, equipment and intangible assets	42	28
Purchase of property, plant, equipment and intangible assets	(14,475)	(2,902)
Sale of shares in subordinated entities	98	-
Purchase of financial assets in related and other entities	(891)	-
Repayment of loans granted	3,201	340
Loans granted	(601)	(2,698)
Interest received	3,984	144
Dividends received	-	6,289
Other items, net	2	-
Net cash from investing activities	(8,640)	1,202
Cash flow from financing activities		
Revenues under credits, loans and debt securities	230,220	-
(repayments) / proceeds from credits and leases	(12,757)	(12,568)
Liabilities on credits and loans	-	(72,800)
Interest paid	(11,924)	(4,981)
Net cash from financing activities	205,539	(90,348)
Net change in cash and cash equivalents	11,021	5,656
Cash and cash equivalents at the beginning of the period	25,494	19,079
Cash and cash equivalents at the end of the period	36,515	24,735

Accounting principles

The accounting principles applied by Inter Cars are the same as those applied by the Group, with the exception of interest in subsidiaries, valued at the historical costs minus revaluation write-downs.

Changes in presentation

In the reporting period, the Group's Management changed the presentation of trade discounts due from suppliers remaining to be settled in a future period within the separate statement of financial position due to the incorrectly applied criteria for offsetting receivable and payable balances according to IAS 32 par. 42. Before the change, all trade discounts due from suppliers remaining to be settled in a future period were presented in the separate statement of financial position under trade and other payables, as a reduction thereof. After the change, trade discounts due from suppliers for which the criteria of IAS 32 par. 42 to enable their offsetting against liabilities (i.e. there is no currently enforceable right to offset) are presented under trade and other receivables.

The impact of the change in presentation in the statement of financial position as at 31 March 2021 and in the statement of cash flows for the period ended 31 March 2021 is presented in the table below:

Separate statement of financial position

<i>(in thousand PLN)</i>	31/03/2021 <i>before change</i>	<i>change</i>	31/03/2021 <i>after change</i>
ASSETS			
Trade and other receivables	1,545 691	229,299	1,774 990
Current assets	3,231,135	229,299	3,460,434
TOTAL ASSETS	4,121,698	229,299	4,350,997
Short-term liabilities			
Trade and other liabilities	1,017 427	229,299	1,246,726
	1,553,422	229,299	1,782,721
TOTAL LIABILITIES	4,121,698	229,299	4,350,997

The change in presentation had no impact on net profit for Q1 2021 nor on basic and diluted earnings per share.

Investments in subordinated entities

The following investments in subordinated entities took place in the first quarter 2022:

	2022	2021
As at 1 January (gross)	508,876	427,819
Increase, including:	891	-
- increase in share capital in Partslife International Kft	891	-
Decrease, including:	53	-
- return of paid-up share capital in Inter Cars Deutschland GmbH	53	-
As at 31 March (gross):	509,714	427,819
- impairment on Inter Cars Hungaria Kft.	(611)	(611)
As at 31 March (net)	509,103	427,208

Transactions with related entities in the condensed standalone financial statements

	Sales revenues		Purchase of goods and services	
	1/01/2022– 31/03/2022	1/01/2021 – 31/03/2021	1/01/2022– 31/03/2022	1/01/2021 – 31/03/2021
Inter Cars Ukraine LLC	34,152	38,758	-	-
Q-Service Sp. z o.o.	23	121	88,900	47,803
Lauber Sp. z o.o.	1,606	1,426	25,639	24,114
Inter Cars Česká republika s.r.o.	68,795	56,627	617	1,367
Inter Cars Slovenská republika s.r.o.	65,926	55,254	671	1,109
Feber Sp. z o.o.	183	212	2,842	3,256
Inter Cars Lietuva UAB	71,223	62,401	1,463	1,008
IC Development & Finance Sp. z o.o.	-	-	-	89
Inter Cars Italia srl.	4,454	(293)	72	72
Inter Cars d.o.o.	34,172	39,364	5,405	2,275
NV Inter Cars Belgium	249	22	-	-
Inter Cars Hungária Kft.	38,006	38,740	409	594
Inter Cars Romania s.r.l.	79,276	83,826	792	1,548
Armatus sp. z o.o.	(6,359)	1	15	-
Cleverlog-Autoteile GmbH	54,032	33,153	351	225
Inter Cars Latvija SIA	48,338	36,777	1,725	833
Inter Cars Bulgaria EOOD	61,011	37,395	801	515
Inter Cars Marketing Services Sp. z o.o.	72	348	13,752	15,448
ILS Sp. z o.o.	3,354	962	128,447	119,632
Q-Service Truck Sp. z o.o.	536	204	9,945	6,292
Inter Cars Malta Limited	22	-	164,815	92,627
Inter Cars INT d.o.o. (Slovenia)	7,875	2,053	145	134
Inter Cars Eesti OÜ	16,872	8,082	608	351
Inter Cars Piese Auto s.r.l.	146	94	22	-
Inter Cars Greece	16,862	9,253	454	463
Inter Cars d.o.o. (Bosnia)	195	141	17	-
Inter Cars United Kingdom - AUTOMOTIVE TECHNOLOGY LTD.	5,201	3,279	-	-
Inter Cars Fleet Services Sp. z o.o.	1,711	10,587	191	1,006
Inter Cars Beograd Rakovica	36	-	4	-
OOO Inter Cars Automobilna Technika	33	-	-	-
Inter Cars Norge AS	(24)	-	-	-
JAG Sp. z o.o.	-	542	-	3,566
	607,978	519,329	448,102	324,327

Transactions with related entities in the condensed standalone financial statements (continued)

	Receivables as at		Liabilities as at	
	31/03/2022	31/12/2021	31/03/2022	31/12/2021
Inter Cars Ukraine LLC	98,207	88,070	-	-
Lauber Sp. z o.o.	30,773	29,968	19,733	27,590
Inter Cars Ceska Republika s.r.o.	37,777	51,333	269	599
Inter Cars Slovenska Republika s.r.o.	56,888	54,867	196	869
Feber Sp. z o.o.	147	235	7,760	6,309
Inter Cars Lietuva UAB	66,442	70,138	146	275
Inter Cars Italia srl	5,756	2,848	898	745
Inter Cars d.o.o.	175,844	168,974	1,455	395
Inter Cars Belgium NV	599	340	-	-
Inter Cars Hungária Kft.	70,088	78,827	204	67
Inter Cars Romania s.r.l.	305,964	297,218	90	615
Inter Cars Latvija SIA	72,843	55,442	584	280
Cleverlog-Autoteile GmbH	2,879	3,059	432	22
Inter Cars Bulgaria Ltd.	176,391	148,875	417	63
Inter Cars Marketing Services Sp. z o.o.	5	-	207,140	188,190
ILS Sp. z o.o.	213	457	96,189	87,056
Inter Cars Malta Holding Limited	-	-	(21)	(21)
Inter Cars Malta Limited	15	79	225,151	224,989
Q-Service Truck Sp. z o.o.	232	79	19,787	13,304
Inter Cars INT d. o.o.o (Slovenia)	7,288	5,669	7	-
Inter Cars Eesti OÜ	8,049	6,244	163	176
Q-Service Sp. z o.o.	26	252	66,761	42,521
ILS Latvijas filiāle	106	96	-	-
IC Development & Finance Sp. z o.o.	10	10	1,490	1,539
Armatus sp. z o.o.	1	56	(342)	(342)
Inter cars PIESE Auto s.r.l.	(45)	138	43	20
Inter Cars Greece	46,167	37,700	178	1,043
InterMeko Europe Sp. z o.o.	131	106	280	56
Inter Cars d.o.o. (Bosnia)	568	889	1,559	1,524
Inter Cars d.o.o. Beograd-Rakovica	124	87	11	7
Inter Cars Fleet Services Sp. z o.o.	24,186	34,540	345	184
Inter Cars United Kingdom - AUTOMOTIVE TECHNOLOGY LTD.	3,785	3,458	-	-
OOO "INTER CARS AUTOMOBILNA TEHNIKA	99	65	-	-
CB DYSTRYBUCJA Sp. z o.o	334	311	-	-
Inter Cars Norge AS	-	24	-	-
Inter Cars Cyprus Ltd.	-	-	4	4
Gross	1,191,892	1,140,454	650,929	598,079
Reserves for returns	(30,241)	(43,217)	-	-
Net	1,161,651	1,097,237	650,929	598,079

Settlements on loans and borrowings

	31/03/2022	31/12/2021
<i>Receivables from subsidiaries</i>		
Lauber Sp. z o.o.	8,788	8,750
IC Development & Finance Sp. z o.o.	11,439	17,912
Inter Cars d.o.o. Beograd Rakovica	935	924
Inter Cars Fleet Services Sp. z o.o.	3,257	3,240
Gross receivables on loans	24,419	30,826

Liabilities towards subsidiary companies on loans

Inter Cars Cyprus Ltd.	96,129	94,580
	96,129	94,580

Contingent liabilities and sureties

Sureties and guarantees granted by Inter Cars S.A. as at 31 March 2022 amounted in total to: PLN 340,789 thousand.

In the first quarter of 2022, the Company did not grant any credit or loan sureties nor guarantees of a material value to any entity or a subsidiary of such entity.

Explanatory notes to the interim condensed financial statements for the period of 3 months ended on 31 March 2022**I. Information about the Inter Cars Capital Group****Scope of activities**

The principal activities of Grupa Kapitałowa Inter Cars Spółka Akcyjna (hereinafter referred to as “the Group,” “the Inter Cars Capital Group,” the Inter Cars Group”) are import and distribution of spare parts for passenger cars and commercial vehicles.

Registered seat – the parent entity

Inter Cars S.A.
ul. Powsińska 64
02-903 Warsaw
Poland

Central Warehouse:

Europejskie Centrum Logistyczne (European Logistics Centre)
Swobodnia 35
05-170 Zakroczym

Contact and administrative details

The Company has been entered into the Register of Companies of the National Court Register kept by the District Court for the capital city of Warsaw, in Warsaw, XII Commercial Department of the National Court Register, under the following number:

KRS 0000008734
NIP 1181452946
Regon 014992887
phone (+48-22) 714 19 16
fax. (+48-22) 714 19 18
biuro.zarządu@intercars.eu
relacje.inwestorskie@intercars.eu
www.intercars.com.pl

Supervisory Board (as at the date of approval of the financial statements)

Andrzej Oliszewski, President
Piotr Płoszajski
Tomasz Rusak
Jacek Klimczak
Jacek Podgórski
Radosław Kudła

Management Board (as at the date of approval of the financial statements)

Maciej Oleksowicz, President
Krzysztof Soszyński, Vice-President
Wojciech Twaróg
Piotr Zamora

Statutory auditor

PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k.
ul. Polna 11,
00-633 Warsaw

I. Composition of the Capital Group

The parent company, Inter Cars S.A. ("the Company") is registered in Poland. The interim consolidated financial statements for the period ended on 31 March 2022 contain information about the company, its subsidiaries referred to as the Inter Cars Capital Group ("the Group"), and about the Group's share in related entities.

The consolidated financial statements of the Inter Cars Capital Group for the period ended on 31 December 2021 are available at www.intercars.com.pl in Investor Relations tab.

As at 31 March 2022, the following entities comprised the Inter Cars Capital Group: Inter Cars S.A. as the parent entity, and 35 other entities, including:

- 33 subsidiaries of Inter Cars S.A.
- 2 indirect subsidiaries of Inter Cars S.A.

The Group also holds shares in one related entity.

The first quarter of 2022 saw no changes in the organizational structure of the issuer's Capital Group, including changes resulting from amalgamation or gaining or losing control over subsidiaries and long-term investments or as a result of division, restructuring or discontinuance.

Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				31/03/2022	31/03/2021
Parent company					
Inter Cars S.A.	Warsaw, Poland	Import and distribution of spare parts for passenger cars and commercial vehicles	full	Not applicable	Not applicable
Direct subsidiaries					
Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				31/03/2022	31/03/2021
Inter Cars Ukraine	Khmelnytsky, Ukraine	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Q-service Sp. z o.o.	Cząstków Mazowiecki, Poland	Advisory services, organization of trainings and seminars related to automotive services and the automotive market	full	100%	100%
Lauber Sp. z o.o.	Słupsk, Poland	Remanufacturing of car parts	full	100%	100%
Inter Cars Česká republika s.r.o.	Prague, Czech Republic	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Feber Sp. z o.o.	Warsaw, Poland	Manufacture of motor vehicles, trailers and semi-trailers	full	100%	100%
IC Development & Finance Sp. z o.o.	Warsaw, Poland	Real estate development and lease	full	100%	100%
Armatus sp. z o.o.	Warsaw, Poland	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Slovenská republika s.r.o.	Bratislava, Slovakia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Lietuva UAB	Vilnius, Lithuania	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%

Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				31/03/2022	31/03/2021
Inter Cars Belgium NV (formerly JC Auto S.A.)	Hasslt, Belgium	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Hungária Kft	Budapest, Hungary	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Italia s.r.l	Pero, Italy	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars d.o.o.	Zaprešić (Grad Zaprešić), Croatia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Romania s.r.l.	Cluj-Napoca, Romania	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Cyprus Limited	Nicosia, Cyprus	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Latvija SIA	Mārupes nov., Mārupe, Latvia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Cleverlog-Autoteile GmbH	Berlin, Germany	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Bulgaria Ltd.	Sofia, Bulgaria	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Marketing Services Sp. z o.o.	Częstków Mazowiecki, Poland	Advertising, market and public opinion research	full	100%	100%
ILS Sp. z o.o.	Swobodnia, Zakroczym, Poland	Logistics services	full	100%	100%
Inter Cars Malta Holding Limited	Birkirkara, Malta	Assets management	full	100%	100%
Q-service Truck Sp. z o.o.	Warsaw, Poland	Sale of delivery vans and trucks	full	100%	100%
Inter Cars INT d.o.o.	Ljubljana, Slovenia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Eesti OÜ	Tallinn, Estonia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Piese Auto s.r.l.	Kishinev, Moldova	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars GREECE.	Ilioupoli Attiki, Greece	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars d.o.o.	Sarajevo, Bosnia and Herzegovina	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars United Kingdom - automotive technology Ltd	Tipton, Great Britain	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars d.o.o. Beograd-Rakovica	Belgrade-Rakovica, Serbia	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Fleet Services Sp. z o.o.	Warsaw Poland	Services for motor-vehicle fleets related to vehicle repairs	full	100%	100%

Name of entity	Registered seat	Scope of activities	Consolidation method	% of the Group's share in the share capital	
				31/03/2022	31/03/2021
JAG Sp. z o.o.*	Warsaw, Poland	Distribution of spare parts for passenger cars and commercial vehicles	full	-	100%
OOO Inter Cars Automobilna Technika**	Mogilev, Belarus	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	100%
Inter Cars Norge AS***	Oslo, Norway	Distribution of spare parts for passenger cars and commercial vehicles	full	100%	-
CB Dystrybucja Sp. z o.o.****	Warsaw, Poland	Point of sale management	full	100%	-
Indirect subsidiaries					
Inter Cars Malta Limited*****	Birkirkara, Malta	Sale of spare parts and advisory services related to automotive services and the automotive market	full	100%	100%
Aurelia Auto d o o*****	Vinkovci, Croatia	Distribution of spare parts and real estate rental	full	100%	100%
Associated entities					
InterMeko Europe Sp. z o.o.	Warsaw, Poland	Control and assessment of spare parts, components and accessories	equity method	50%	50%

* The Company sold on 30 June 2021

** The Company does not carry out operating activities, not consolidated in 1Q2022.

*** The Company acquired in August 2021, has not started operating activities yet, not consolidated in 1Q2022.

**** The Company established in August 2021, started operating activities in 4Q2021

***** 99.98% shares held by subsidiary company Inter Cars Malta Holding Limited, Inter Cars Cyprus Limited holds 1 share

***** 100% shares held by subsidiary company Inter Cars d.o.o. (Croatia)

Stock exchange listings

The shares of Inter Cars S.A., i.e. the parent entity, are listed on the Warsaw Stock Exchange in the continuous trading system.

II. Declaration of compliance with IFRS

The condensed interim consolidated financial statements of the Inter Cars Capital Group were prepared for the period of 3 months ended on 31 March 2022.

The condensed interim financial statements covering first quarter of 2022 comply with the requirements of the International Accounting Standard IAS 34 "Interim Financial Reporting" related to interim financial statements.

The condensed interim financial statements of the Group are published together with the condensed standalone interim financial statements. The condensed standalone interim financial statements of the Company should be read together with the condensed interim consolidated financial statements of the Group in order to have a comprehensive view of the financial result and the financial situation of the company.

Preparation of financial statements in accordance with IFRS requires application of specific accounting estimates. It also requires from the Management Board to use its own judgement with regard to application of the accounting standards adopted by the Group. The areas a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are presented in note 16.

Interim condensed consolidated financial statement of Inter Cars S.A. Capital Group prepared for the period of 3 months ended on 31 March 2022 with explanatory notes to interim condensed financial statements and quarterly financial information of Inter Cars S.A. 1Q 2022 was approved by the Board of Managers for publication on 19 May 2022.

III. Basis for preparing the condensed interim consolidated financial statements

With the exception of the changes described in “Changes to the accounting principles,” these condensed interim financial statements were prepared by the Inter Cars Capital Group in accordance with the same accounting standards as those applied by the Group to prepare the consolidated financial statements for the period ended on 31 December 2021.

The condensed interim consolidated financial statements were prepared under the assumption that Group will continue as a going concern in the foreseeable future and that there are no circumstances indicating a threat to the continuance of its operations.

All values presented in the condensed interim financial statements are quoted in PLN ‘000, unless otherwise indicated.

IV. Approved for publication

Condensed interim financial statements were approved by the Board of Inter Cars S.A for publication on 19 May 2022.

Maciej Oleksowicz

CEO

Krzysztof Soszyński

Vice-President of the Management
Board

Wojciech Twaróg

Member of the Management Board

Piotr Zamora

Member of the Management Board
